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Congress, Agencies Clash Over Counterintelligence

Lawmakers Call Administration Efforts Weak

By Charles R. Babcock Washington Post Staff Writer

In the spring of 1984, Sen. Malcolm Wallop (R-Wyo.) received a certificate naming him an "honorary counterintelligence specialist" in the Central Intelligence Agency. The award was said to be in recognition of his efforts to establish a semiautonomous core of career counterintelligence (CI) specialists in the agency.

Wallop, then chairman of the Senate Intelligence budget subcommittee, was neither honored nor amused.

"The CIA ridiculed the career specialist by giving me the award," he said in an interview. "It was designed in total cynicism, with little boys laughing behind doors."

So he wrote, and Congress approved, language in the classified intelligence agencies' authorization bill report for fiscal 1985 requiring the CIA to reestablish CI as a career service. It still has not been

done, he and other intelligence aources say.

Doing something about counterintelligence has been a hot topic since accusations in May that alleged spy John A. Walker Jr. and others for years had passed U.S. Navy secrets to the Soviets. To Wallop and other critics, the Reagan administration's inaction on the "CI specialist" mandate reflects a broader lack of commitment to improving the nation's ability to protect secrets from foreign agents.

"This country," Wallop said, "has virtually sero counterintelligence capability."

He argued that the CIA's counterintelligence system is inadequate because the officers now working in it will someday rotate out to work for other officers whom they may have investigated or whose oper-

ations they may have challenged. The result, Wallop said, is a too casual effort, in which the tough questions are not asked about the credibility of agents, operations or even technical systems.

Although few others are so critical, interviews with current and former intelligence officials suggest that the Reagan administration's strong words about counterintelligence have often been matched only by half-steps.

President Reagan said in a radio speech in June that "we've developed a list of things to be accomplished in the counterintelligence and security areas." He has signed two secret directives to study and act on the counterintelligence problem, but little of substance has been accomplished because of bureaucratic resistance, several sources said. A separate directive to revamp personnel security policies has been languishing without action for more than a year.

Funding for more FBI counterintelligence agents—who are responsible for counterespionage operations in the United States—has been added to recent budgets, but only over the objections of administration budget officers. There are now about 1,200 CI agents in the FBI, sources said. But they are still outnumbered, and squads of inexperienced clerks have been used for years to help keep track of potential foreign agents in at least four major cities.

Administration spokesmen declined to speak on the record about the counterintelligence issue. But several members of Congress did. Rep. Lee Hamilton (D-Ind.), chairman of the Permanent Select Committee on Intelligence, said "sometimes it takes a strong blow across the snout," such as the Walker case,

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between the CIA, which keeps track of foreign intelligence agents overseas, and the FBI, which does the same in the United States.

Hamilton and Sen. Patrick J. Leahy (D-Vt.), vice chairman of the Select Committee on Intelligence, said long-term solutions are required, in addition to the increased use of polygraphs and the imposing the death penalty on military personnel for peacetime espionage, the two measures passed by Congress so far.

Hamilton said the least expensive and most important step to protect national secrets would be enforcing the "need to know" policy. "A security clearance shouldn't entitle anyone to see anything. Someone should have access only if he needs it for his job."

A theme in much of the criticism is that counterintelligence is not viewed as a path to career promotion at the CIA or FBI, or the State Department, where security has long been a low priority.

Rep. Dave McCurdy (D-Okla.), chairman of the House intelligence oversight subcommittee that has been holding closed hearings on counterintelligence, said he feels the biggest security problem is at the State Department. He said CIA Director William J. Casey had accepted a recommendation by an internal CIA commission to give more independence to the CI staff there. "It's fine-tuning at CIA," McCurdy said. "It's trying to stop a flood at State."

He cited recent reports of bugged typewriters in the U.S. Embassy in Moscow and the hiring of

